

May 23, 2008

Montana Healthcare Programs Notice

For Providers Utilizing the 340B Drug Pricing Program (excluding Pharmacy, Dentists, DME, Ambulance, RHC, FQHC, and IHS)

When to Submit an NDC (National Drug Code) If You Are Billing as a 340B Provider

The Federal Deficit Reduction Act of 2005 mandates that all State Medicaid Programs require the submission of National Drug Codes (NDC) on claims submitted with certain procedure codes for physician-administered drugs. **Effective April 1, 2008**, this became a requirement by Montana Medicaid.

Providers participating in the 340B Drug Pricing Program must submit their Medicaid provider number(s) (NPI) to the Office of Pharmacy Affairs (OPA). This will ensure that the state will not request a rebate for the already discounted 340B drugs.

- **Do not** submit an NDC for claim lines that are billed for 340B priced drugs (you must still submit a CPT/HCPCS code).
- When billing 340B drugs, Montana Medicaid **cannot** be billed for an amount greater than the acquisition price plus the dispensing fee established by Medicaid.

Covered 340B entities may elect to “carve out” Medicaid clients from their 340B program activities and, therefore, purchase drugs at a non-340B price. Providers that choose the “carve out” option must notify OPA of their intent. In turn, Medicaid will reimburse providers according to their provider type and manufacturers will be billed for rebates.

- **Do** submit an NDC for claim lines that are billed for non-340B priced drugs if you have elected to “carve out” Medicaid clients (you must also submit a CPT/HCPCS code).

Covered 340B entities choosing to bill Medicaid for drugs purchased under the 340B Drug Pricing Program must ensure that **all** drugs billed to Medicaid are purchased under the 340B Drug Pricing Program. If a provider chooses to “carve out” Medicaid clients, then **all** drugs billed to Medicaid must **not** be purchased under the 340B Drug Pricing Program. For further information please go to:

<http://www.hrsa.gov/opa/medicaidexclusion.htm>

Contact Information

For claims questions or additional information, contact Provider Relations:

Provider Relations toll-free in- and out-of-state: 1-800-624-3958

Helena: (406) 442-1837

E-mail: MTPRHelpdesk@ACS-inc.com

Visit the Provider Information website:

<http://www.mtmedicaid.org>